



---

## Minutes of SPECIAL MAYOR AND COUNCIL Meeting

---

Approved by Mayor and Council  
on January 5, 2016

Date of Meeting: June 9, 2015

The Mayor and Council of the City of Tucson met in special session in the Mayor and Council Chambers in City Hall, 255 West Alameda Street, Tucson, Arizona, at 7:36 p.m., on Tuesday, June 9, 2015, all members having been notified of the time and place thereof.

### 1. **ROLL CALL**

The meeting was called to order by Mayor Rothschild and upon roll call, those present and absent were:

Present:

Regina Romero	Council Member Ward 1
Paul Cunningham	Council Member Ward 2
Karin Uhlich	Council Member Ward 3
Shirley C. Scott	Council Member Ward 4
Richard G. Fimbres	Vice Mayor, Council Member Ward 5
Steve Kozachik	Council Member Ward 6
Jonathan Rothschild	Mayor

Absent/Excused:

None

Staff Members Present:

Martha Durkin	City Manager
Michael Rankin	City Attorney
Roger W. Randolph	City Clerk

## **2. FINANCE: FINAL BUDGET ADOPTION FOR FISCAL YEAR 2016**

Mayor Rothschild announced City Manager's communication number 213 dated June 9, 2015, was received into and made part of the record. He asked the City Clerk to read Resolution 22391 by number and title only.

Resolution No. 22391 relating to Finance: determining and adopting estimates of proposed expenditures by the City of Tucson for the Fiscal Year beginning July 1, 2015 and ending June 30, 2016; declaring that together said expenditures shall constitute the budget of the City of Tucson for such Fiscal Year; and declaring that the 5 year Capital Improvement Program (CIP) had been approved with the first year of the CIP being adopted as part of the aforementioned budget.

It was moved by Vice Mayor Fimbres, duly seconded, to pass and adopt Resolution No. 22391, refrain from using stabilization fund, and direct staff to return in the fall with an update.

Mayor Rothschild asked if there was any discussion.

Council Member Cunningham asked how much had the licensing fee collection reduced over the last five years. He went on to ask how much was received this year and how much it would cost to bridge funding month to month for Access Tucson.

Mayor Rothschild asked staff what they envisioned to be the length of the procurement process.

Martha Durkin, City Manager replied staff did not expect it to be a protracted process, they did expect to receive the proposals on June 23, 2015 and at that time would make some decisions. She said this was a new idea with the intent to keep Access Tucson and Channel 12 on the air. Staff would report to Mayor and Council exactly how they would move forward depending on whether proposals were received and how long the process might take and how to proceed if no proposals were received. She said the funding to manage in the interim was available and that the need to archive materials would also take place.

Mayor Rothschild asked how long staff anticipated it would take until an award could be presented after receipt of any proposals on June 23, 2015.

Ms. Durkin said she thought it would take at least one month.

Mayor Rothschild asked if staff had an alternate plan if no proposals were received.

Ms. Durkin replied there was capacity in the City Manager's budget for interim funding and staff would let the Mayor and Council know what the plan would be when it became available.

Mayor Rothschild asked how much it would cost to keep Access Tucson up for two months and whether staff had been in discussions regarding that.

Ms. Durkin replied, that staff was in the middle of an RFP process and was not discussing that with any potential proposers. Staff expected Access Tucson would be a potential proposer, but in the mean time they intended to keep the station on air.

Mayor Rothschild said currently there was three hundred thousand dollars reserved for July 1st through June 30th of next year. He asked how much it would cost to keep Access Tucson running for July and August.

Ms. Durkin said she thought it would probably be around twenty five thousand dollars.

Council Member Cunningham said he wanted to understand how staff was going to keep the channel from going dark. He asked if the proposal was awarded on June 23rd would the new person be able to get everything going in eight days. He noted that the Procurement did not move that fast, citing that it took two years to get parking meters.

Ms. Durkin replied that she may have miss spoke, and that she expected the award would not be granted before the end of July.

Council Member Cunningham asked what would happen from July 1st until July 23rd.

Ms. Durkin said both of the stations, Channel 12 and Access Tucson, were the city's stations via franchise agreement. Therefore, it was possible to make the funding available to keep them on air.

Mayor Rothschild asked if staff would be agreeable if direction was given by Mayor and Council to provide interim funding to keep the channel running until an award was made.

Ms. Durkin replied she would like that to be one option if proposals were received, but there may be a need for a Plan B if that did not occur.

Mayor Rothschild said he understood.

Council Member Romero asked if the budget before them had provisions in it to not let Access Tucson to go dark.

Ms. Durkin replied that was correct for both Access Tucson and Channel 12.

Council Member Uhlich said she appreciated the clarification. She and others originally thought some success by having the proposal for the three hundred thousand dollars allocated to keep the channels active but then realized it would not be enough. She

did not expect to hear from the City Manager that there was bridge funding to keep the channels alive and the fact that somehow that was not communicated was a concern.

A second point of clarification in the motion was that Mayor and Council had already received assurance in terms that the transit service plan adjustments were integrated in the budget, and those would occur through a public outreach process. Also, she wanted to verify that the Transit Task Force and the Jarrett Walker process would ultimately guide and determine any of those changes.

Ms. Durkin replied that was correct.

Council Member Uhlich stated in the resolution, she saw the revenues and the expenditures but wanted to make sure to be familiar with what amounts would be invested specifically in the capital program.

Joyce Garland, Budget and Internal Audit Director replied, in general for the proposed fiscal year 2016 it was 291 million dollars. That would be for the capital for that year, because it was a five year capital plan.

Council Member Uhlich said there was a certain amount that they had allocated out of the general fund, or related to the general fund, for very specific things that were not funded out of federal sources or other sources.

Joyce Garland replied it was transit.

Council Member Uhlich voiced it was other than that.

Joyce Garland announced they had one million dollars in the general fund to fund the Kronos Project and the Estimated Revenues and Expenditures (ERP) upgrade.

Council Member Uhlich asked if that was the extent.

Joyce Garland replied that was the extent for the general fund, except for transit.

Council Member Uhlich restated one million dollars. She wanted to clarify that for the record because she believed there was confusion that they were investing multiple millions of dollars, out of the general fund dollars, into those kinds of capital programs. She appreciated that the Vice Mayor included in the proposal not to touch the stabilization fund. Bond ratings were slipping for all cities right now across the country because of pension obligations. They have to do everything they can to hold our bond rating because it would further erode our general fund, which means not only a lack of ability to make pay adjustments and offer raises in the future, but the potential for further staffing reductions. She added that although modest, the city did provide a pay adjustment to City staff in 2012 and hoped people understand that when the Mayor and Council believe they can make pay adjustments, they do. She stated she was supporting the motion and wanted to hear comments from her colleagues.

Council Member Cunningham said every year they go through this budget process and it was never going to be perfect, no one was ever going to be happy. First, the bridge funding part for Access was done so it was not going dark. Second, Sun Tran was on our radar. There were all kinds of different concerns brought up, and the bottom line was at the end of the day, they want the best possible delivery of service. He stated the city takes pride in the transit system and that was why they established the long term collaboration with Jarrett Walker, providing the bus riders with a voice. He wanted everyone to understand that if a route adjustment is not working, bring it up, and let the conversation happen so the overall system comes back. He commented on the various packages for long term capital investment in the fleet for busses and police vehicles. The city replaced vehicles that repair costs exceeded their worth. He added the when they talk in November; he would like some of the topics that came up tonight to be discussed. For now they needed to keep the government going, so he was supporting the budget.

Council Member Romero said a concern regarding potential transit savings from our Transit Task Force (TTF) and other groups was routes that were important for working families which would potentially be eroded. She stated one of the things that she can not take, as an elected official answering to various groups and the entire community, was for a certain group to come and just say no to any suggested changes. She wanted to see cooperation, see how things could be done better, and to find solutions. She came to understand, from talking with a TTF member, there was at least nine hundred ninety thousand dollars of potential savings that everyone agreed on and she wanted to confirm everyone was communicating responsibly to take appropriate steps in the future. She addressed misinformation that employee groups had stated regarding pay raises and reiterated that city employees received a raise in 2012. Additionally, she had conversations with the City Manager that if we were not able to give our employees a raise, then they had to absorb any rise in pension, health care benefits, or any other thing that was costing the city more. The Mayor and Council were taking responsible steps to take care of employees, cover pension obligations and budget hits from the State, in order to protect employees and the working families of Tucson.

Council Member Kozachik stated he had fundamental disagreements with several components of the budget and wanted to know if the gap funding source to keep Channel 12 and Channel 20 lit were included in the three hundred thousand dollars they already have allocated for the Request for Proposal (RFP).

Ms. Durkin answered it was part of the Managers communications budget which included the staffing for Channel 12.

Council Member Kozachik said in the budget city staff had identified some specific routes, 1.6 million dollars for phase one and phase two transit route changes. He wanted to know what the city was going to do with the 1.6 million dollars and those specific routes, as well as the understanding of what was happening based on these discussions.

Ms. Durkin replied as agreed previously, they would take these through the TTF as well as the Visioning Process being conducted by Jarrett Walker. They believe that they would reach an agreement on the minor adjustments, the 1.1 Million, because they were close now and were receiving cooperation from the task force to offer other suggestions. The major changes process had not started and they would bring that part back in November with updates.

Mayor Rothschild called for a roll call vote.

Mayor Rothschild said he would explain his vote. Every one needed to understand that making the decision to not touch the 1.8 million, starting tomorrow they needed to talk about and look for that 1.8 million. That money was left to the City Managers discretion. That meant there would be less money and he wanted everyone to go forward with their eyes open because there could be additional tough times ahead. With that proviso said, he was voted aye.

Resolution No. 22391, refrain from using stabilization fund, and direct staff to return in the fall with an update was passed and adopted by a roll call vote of 6 to 1 (Council Member Kozachik dissenting).

Council Member Scott asked to comment on what they heard that night. There were miscommunications that were serious enough to lead people down the wrong path. She wanted to know what mechanism could be put in play to ensure a better line of communication amongst the various players who stood before them today so the issues were clear and concise.

**3. ADJOURNMENT:** 8:04 p.m.

Mayor Rothschild adjourned the Special Meeting and reconvened the Regular Meeting.

---

MAYOR

ATTEST:

---

CITY CLERK

**CERTIFICATE OF AUTHENTICITY**

I, the undersigned, have read the foregoing transcript of the meeting of the Mayor and Council of the City of Tucson, Arizona, held on the 9th day of June 2015, and do hereby certify that it is an accurate transcription.

---

DEPUTY CITY CLERK

RWR:rg:dp